

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1394
ANSWERED ON:03.03.2000
DOMESTIC INDUSTRIES
RAMSHETH THAKUR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government have failed to safeguard domestic industry;
- (b) if so, the reasons therefor;
- (c) the steps being taken by the Government in this regard;
- (d) whether the existing export incentives schemes have come under sharp criticism in the recent days; and
- (e) if so, efforts being made by the Government to make the scheme more targeted and effective?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) : No, Sir.

(b): Does not arise.

(c): The Government is committed to the development and utilisation of indigenous capabilities in technology and manufacturing and their upgradation to global standards. In pursuance of the policy to facilitate and foster the growth and development of Indian industry, the Government have taken a number of initiatives, which include the following:-

(i) The scope of delicensing has been widened. Barring six industries, the rest are exempt from industrial licensing.

(ii) Industries that do not require an industrial licence only have to submit an Industrial Entrepreneur Memorandum (IEM) to the Secretariat for Industrial Assistance (SIA) in the Department of Industrial Policy and Promotion. Amendments to IEM proposals have also been allowed with effect from 1.7.1998.

(iii) The locational policy has been streamlined to bring it in conformity with the liberalised licensing policy.

(iv) The Government has established the Directorate of Anti-Dumping and the Directorate of Safeguards. While the former militates against attempts by foreign suppliers to undercut the indigenous industry by recourse to unfair pricing of their products, the latter protects the domestic industries from a sudden surge in imports.

(d) & (e): No, Sir. The export incentive schemes are widely welcomed by the exporting community in the country and are being used by the exporters extensively for the purpose of promoting exports.